

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT : Payment of Medical Expenses for Dependents of Employees
Assigned to Foreign Posts.

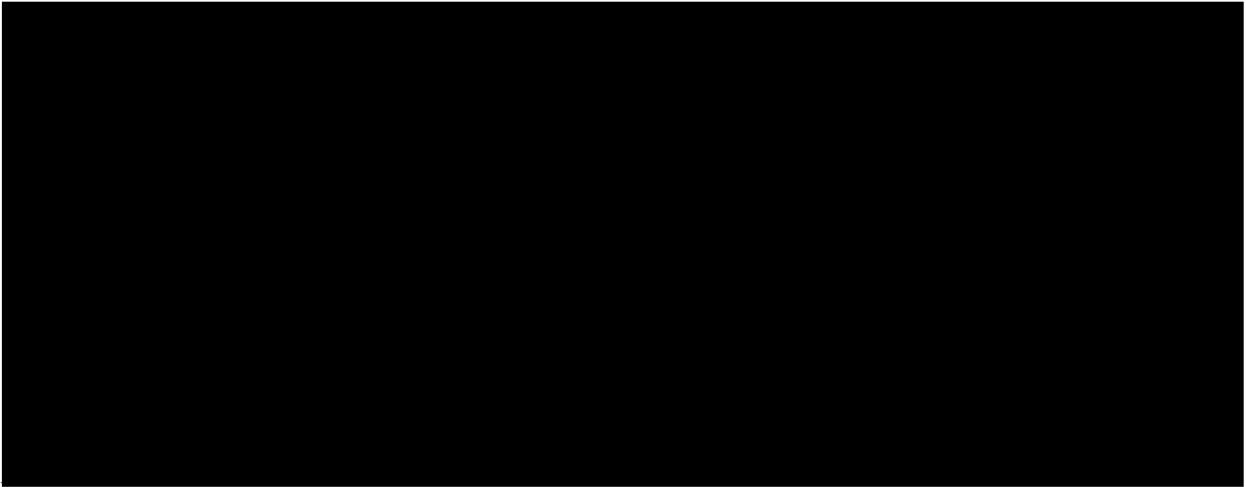
1. This memorandum suggests action on the part of the DCI. Such requested action is contained in paragraph 6.
2. The statutory authority of the Agency authorizes the Director to pay for the cost of treatment of illness or injury of an employee assigned abroad and transportation to and from the nearest suitable medical facility when the illness or injury is incurred in the line of duty. This was patterned after the authority granted the Department of State in the Foreign Service Act.
3. The 84th Congress has recently amended the Foreign Service Act (in P. L. 828) to provide similar benefits to the dependents of Foreign Service Employees who are stationed abroad, except that the employees must pay the first \$35 of cost of such treatment, and the maximum payment is normally limited to 120 days. The Act also provides that the Secretary of State may, if it is deemed possible to provide the same benefits as well and as cheaply, contract for medical care, insurance, medical service, or health plans. The Secretary of State is also authorized to provide for physical examinations, inoculations and vaccinations of dependents of employees.
4. The legislation granting the above benefits to the Department of State is practically ~~and~~ identical in language and intent to proposed legislation requested by the Central Intelligence Agency, which was not acted upon in

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this session of Congress due to adjournment but which will be resubmitted and, it is hoped, approved at the next session.

5. It is desirable that medical benefits granted to the Department of State be authorized to employees of the Central Intelligence Agency as being necessary for employee welfare and morale ~~ix~~ and in order to provide an additional incentive to career personnel who accept assignment in locations where living conditions may be less satisfactory than in the United States.



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6. Section 10(B) of the CIA Act of 1949 authorizes the expenditure of sums made available to this Agency without regard to the provisions of law and regulations relating to the expenditure of Government funds. It is recommended that you authorize the expenditure of unvouchered funds, effective 1 September 1956, for the payment of the cost of medical care and allied expenses for the dependents of personnel paid from unvouchered funds and assigned to foreign posts on the same basis as that provided in Sections 941, 942, and 943 of the Foreign Service Act.

7. Proposed amendments to the CIA Act of 1949 will again be submitted to Congress when it convenes to authorize affirmatively such expenditure;

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however, since Congress will not convene until January of next year, it is ~~EXCEEDINGLY~~ desirable to make use of your special authority to cope with the foregoing problems.

L. K. WHITE

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